

A.G. Contract No. KR92-0320-TRN

ECS File: JPA 92-25

TRACS No.: ~~H-3164-016~~ H014204C

Project: SR 360/Priest Drive T.I.

City of Tempe Contract C92-26

UNIT I
UNIT II

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF TEMPE

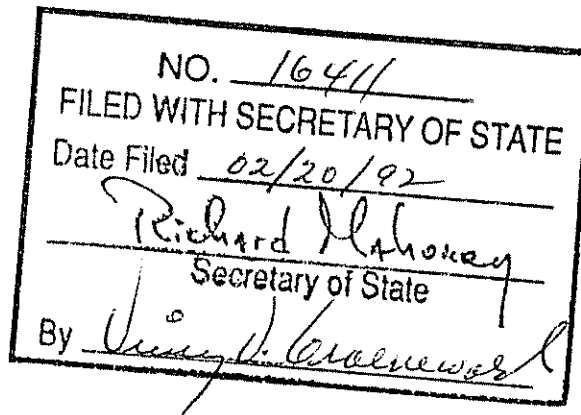
THIS AGREEMENT is entered into February 20, 1992, pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954 and 48-572, all as amended, between the State of Arizona, acting by and through its Department of Transportation (the "State") and the City of Tempe, acting by and through its City Council (the "City").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-108 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes Section 48-572 and the City Charter to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the City.

3. The City and the State desire to construct a traffic interchange at Priest Drive and State Route 360 (SR 360) (including the construction of a half-diamond interchange providing access to and from the east, and the addition of one lane in each direction between Priest Drive and Mill Avenue and construct certain improvements to portions of the north side of Baseline Road between I-10 and Priest Drive (the "City Project").



4. The work embraced in this agreement for the "City Project" is as follows:

Priest Interchange Construction:

This work includes Priest Drive half-diamond interchange with SR 360 and the two related ramps, the additional eastbound and westbound freeway lane on SR 360 from Priest Drive to Mill Avenue, noise walls, retaining walls and additional Priest Drive Improvements related to the Priest Interchange in accordance with the plans to be prepared by the City and approved by the State.

Additional Baseline Road Improvements:

This work includes construction of a second eastbound left turn lane at Lindon Lane, a second eastbound left turn lane at Priest Drive, two separate westbound right turn lanes at Lindon Lane and the driveway between Lindon Lane and Priest Drive in accordance with the plans to be prepared by the State and approved by the City only as to these improvements.

5. The State intends to reconstruct the existing I-10/SR 360 Interchange including large portions of I-10 and SR 360 and the I-10 interchange with Baseline Road in two projects designated Unit I and Unit II (collectively, the "ADOT Project").

6. Savings and efficiency can be achieved if the City Project can be done in conjunction with the ADOT Project (the "Alternate ADOT Project"). Unit I will include the following portions of the City Project: The eastbound on ramp from Priest Drive to SR 360, the eastbound auxiliary lane on SR 360 from Priest Drive to Mill Avenue, the westbound auxiliary lane on SR 360 from Hardy Drive to Mill Avenue, noise walls, retaining walls and related improvements and the Additional Baseline Road Improvements. Unit II will include the following portions of the City Project: The westbound exit ramp from SR 360 to Priest Drive, the additional Priest Drive Improvements related to the Priest Interchange and related improvements.

THEREFORE, in consideration of the mutual covenants expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The State shall submit a program containing the aforementioned projects to the Federal Highway Administration ("FHWA") with the recommendation that it be approved for construction.

(a) Subject to the conditions set forth in Section 2 hereof, if the Alternate ADOT Project is approved for construction by FHWA and the funds are available for construction of the ADOT Project, the State with the aid and consent of FHWA will proceed to advertise for, receive and open bids, and subject to the concurrence of FHWA and the City, award the contract, enter into a contract with a firm to whom the award is made for the construction of the Alternate ADOT Project, and cause such Alternate ADOT Project to be performed, completed, accepted and paid for in accordance with the Arizona Department of Transportation's (ADOT) standards, ADOT's "1990 Standards and Specifications for Road and Bridge Construction" ("Standards"), and the construction contract containing such standards and normal practices.

(b) Any costs of the City Project in excess of the \$8,070,000 deposited under II 2(a) hereof shall be the obligation of the State and not the City and the City shall not be obligated to incur any expenditure therefor in excess of the \$8,070,000.

(c) Should unforeseen conditions or circumstances increase the cost of said work required by a change in the extent or scope of the work called for in this agreement, the City shall not be obligated to incur any expenditure therefor in excess of the \$8,070,000 deposited under II 2(a) hereof.

2. The obligations of the State to proceed with the Alternate ADOT Project is conditioned upon the satisfaction, on or before 12:00 noon, Mountain Standard Time, July 1, 1992, of each and every one of the following conditions; except for (c) and (d) which shall be satisfied by the dates referred to therein:

(a) The City shall deposit funds with the Trustee described in Section 3 hereof in the amount of \$8,070,000 which funds shall be available for withdrawal by the State at any time after July 1, 1992, in accordance with this agreement.

(b) The rights-of-way necessary for the construction of the ADOT Project shall have been conveyed to the State, which rights-of-way are described on Exhibit "A" hereto and are the same rights-of-way needed for the City Project except that the City Project also requires right-of-way on the land described in "Exhibit A" as "Additional Right of Way Required for SFCA Improvements on Baseline Road". This right of way will be acquired by the City and the State must have the right to use such right of way for construction of the Additional Baseline Road Improvements. The State also requires ADOT Parcel 7-7031 as a condition precedent, but that Parcel is not part of the City Project.

(c) The delivery by the City to the State of the plans and specifications required from the City pursuant to Section 10 hereof by June 15, 1992.

(d) The State shall have received final approval from FHWA to construct the Alternate ADOT Project prior to the date of advertising for bids.

In the event these conditions are not satisfied by such time (or such later time and date as the parties may agree) the State may proceed with the ADOT Project without the City Project, this agreement will be terminated and the parties will have no obligations or liabilities each to the other under this agreement.

3. The moneys deposited by the City will be held in trust for the benefit of the State and the City by a bank doing trust business in the State of Arizona acceptable to the State and the City (the "Trustee"). The Trustee will separately account for the money deposited and may invest the money until needed to pay the cost of the City Project as directed by the City in consultation with the State. Trustee fees and expenses will not be paid from the deposits required herein.

4. The City shall designate a City Representative to inspect and review the progress of the work and be available to consult with the State on matters involving the construction of the City Project. The City's costs and expenses with respect to the inspection and review of the City Project will not be paid from the \$8,070,000 deposits required herein except for the \$700,000 as provided in II 6.

5. In the event the funds are deposited pursuant to II 2(a) hereof but the State fails for any reason to enter into a construction contract for Unit I of the Alternate ADOT Project on or before 12:00 noon Mountain Standard Time on November 24, 1992, the State shall certify in writing such failure to the City and the Trustee communicated by hand delivery or facsimile transmission received prior to 5:00 p.m. Mountain Standard Time on November 24, 1992, and upon such certification the City may terminate this agreement and the Trustee shall pay to, or as directed by, the City the amount so deposited and the parties will have no further obligations or liabilities each to the other under this agreement. No expenditure may be made from the funds held by the Trustee until the contract for construction of Unit I of the Alternate ADOT Project has been entered into by the State and the contractor except for the \$700,000 to be paid to the City as provided in II 6 herein. Once the contract for Unit I of the Alternate ADOT Project is entered into, except for the \$700,000 to be paid to the City as provided in II 6 hereof, interest income as provided in II 9 hereof and excess upon completion as provided in II 13 hereof, the State shall have the full and only

authority to withdraw funds in accordance with this agreement. "Entered into" means the construction contract has been executed by both the State and the contractor.

6. The State may request payments from the Trustee only for costs of the City Project, including payments to contractors and suppliers and for engineering design, construction engineering and inspection. Disbursements shall be made each month based on the amount of work completed on the City Project through the prior month. The Trustee will pay the costs of the City Project in accordance with instructions in writing from the State which specify the amount to be paid, the payee and the purpose for which the payment is being made. Copies of all payment requests, progress payment reports and all documents supporting each payment will be provided by the State to the City at the time of submission of the payment requests to the Trustee. An amount not exceeding \$700,000 shall be paid by the Trustee as directed in writing by the City to pay for the costs of acquiring the plans and specifications and other engineering work for the City Project.

7. The State shall maintain a separate TRACS Number for costs of the City Project. Each Unit of the Alternate ADOT Project shall be bid as a single project without distinguishing the City Project work from the ADOT Project work. Costs of unit bid items shall be allocated to the City Project in accordance with the unit bid price applied to the actual quantities for the City Project. Lump sum items shall be allocated pro rata based on the proportion that the work under such item for the City Project bears to the total of such work for the Alternate ADOT Project. Litigation costs, awards or settlements for the City Project shall be allocated to the City Project. Construction engineering costs of the State shall be allocated to the City Project at 15% of allocated construction costs.

8. No construction contract will be entered into except upon public bidding as may be required by law and except upon obtaining appropriate payment and performance bonds as may be required by law.

9. All earnings and income from investments of amounts held in the trust fund shall be paid over by the Trustee to, or to the order of, the City upon receipt.

10. The City shall provide the State with plans and specifications for the Priest Interchange Construction portion of the City Project which are acceptable to the State. The State shall provide the plans and specifications for the Additional Baseline Road Improvements which are acceptable to the City. The State will cause the City Project to be completed in accordance

with the plans and specifications approved by the City and the State and in accordance with (ADOT) standards, ADOT's "1990 Standards and Specifications for Road and Bridge Construction" ("Standards"), and the construction contract containing such standards and normal practices; however, no such provisions shall release the State from its obligation to complete the City Project once the conditions described in II (2) have been complied with. No changes in the City Project will be made in the plans and specifications without the written consent of the City.

11. The City reserves the right to assess the costs of its contribution hereunder, including the legal and financial costs of obtaining the funds necessary to make the contribution hereunder, to certain properties to be benefited by the City Project which property shall not include property acquired or owned by the City or the State. The City expects to issue improvement bonds to provide the funds necessary to make its contribution. The City will not assess any improvement costs against any property acquired, or to be acquired, by the State as described in Exhibit "A", or that land described in ADOT Parcel 7-7031, attached hereto as Exhibit "B".

12. The City shall have the right, at the City's expense, to reasonable access to inspect and audit all books and records of the State and the Trustee with respect to the City Project and the expenditure of funds therefor. This right to have access to inspect and audit shall be limited to two audits for each unit and shall terminate as to each unit six months after the State notifies the City in writing that the State has accepted such unit and the State reports to the City in writing the final payment amount for such unit and amounts remaining to be paid, for the City Project.

13. Upon completion of a unit of the Alternate ADOT Project, the State shall certify completion of the City Project included within such unit in writing to the City. Within six months after completion of the City Project, the State shall report to the City in writing the amount remaining unpaid on the City Project including, in the event of litigation or other disputes as to amounts remaining unpaid, an estimate of the amount reasonably necessary to be reserved for such payment. Any amounts remaining unexpended in the trust account in excess of the amount reported by the State to be necessary to pay, or to reserve for payment of, such amounts remaining unpaid shall be returned to the City or as directed by the City.

14. The City agrees that it will maintain the roadways and improvements outside the State's control of access as shown on the State's rights-of-way and construction plans.

III. MISCELLANEOUS PROVISIONS

1. This agreement shall remain in force and effect until completion of the work herein embraced; provided, however, that any provisions in this agreement for maintenance shall be perpetual.

2. This agreement shall become effective upon filing with the Secretary of State.

3. The obligations of the State hereunder which are not satisfied by the moneys deposited herein are expected to be funded from State funds.

4. This agreement shall be subject to cancellation in accordance with Arizona Revised Statutes Section 38-511.

5. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this agreement.

6. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by arbitration under Arizona Revised Statutes Section 12-1518(A).

7. All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Engineering Consultant Services
206 South 17th Avenue - Room 222E
Phoenix, Arizona 85007

City Manager
City of Tempe
31 East 5th Street
Tempe, Arizona 85281

8. Attached hereto and incorporated herein is a copy of the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement
the day and year first above written.

CITY OF TEMPE

STATE OF ARIZONA

Department of Transportation

By *Harry E. Mitchell*
HARRY E. MITCHELL
Mayor

By *Robert P. Mickelson*
ROBERT P. MICKELSON, P.E.
Deputy State Engineer

ATTEST

By *Helen R. Dowler*
City Clerk

EXHIBIT A

LEGAL DESCRIPTION OF RIGHT-OF-WAY PARCEL A
24,724 SQUARE FEET (0.568 ACRES) MORE OR LESS

(BASELINE ROAD FRONTAGE)

TRACT A:

AREA NO. 1:

That portion of the following described property which lies South of the line described below under "Line Description":

PROPERTY DESCRIPTION:

Lot 14, BASELINE BUSINESS PARK, according to Book 232 of Maps, Page 28, records of Maricopa County, Arizona;

EXCEPT that portion of Lot 14 described as follows:

Beginning at the Southwest corner of said Lot 14;

thence North 89°01'12" East, along the South line of said Lot 14, a distance of 157.5 feet;

thence northwesterly to a point on a line parallel with said South line, lying 5 feet North of said South line and 30 feet East of the West line of said Lot 14;

thence northwesterly to a point on the West line of said Lot 14, lying 11 feet North of said Southwest corner;

thence South, along said West line, a distance of 11 feet to the point of beginning.

LINE DESCRIPTION:

Commencing at the Southeast corner of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona;

thence along the South line of said Township, South 89°44'49" West 639.46 feet to the construction centerline of Baseline Road;

(CONTINUED)

thence along said construction centerline, North 88°49'16" West 300.09 feet;

thence continuing along said construction centerline, South 89°44'49" West 409.61 feet;

thence North 0°15'11" West 107.20 feet to the point of beginning on the East line of said Lot 14;

thence South 45°23'26" West 27.46 feet;

thence North 88°53'46" West 295.57 feet;

thence South 89°44'49" West 38.06 feet to a point hereinafter called Point "A";

thence continuing South 89°44'49" West 109.40 feet;

thence North 44°33'13" West 27.95 feet to the point of ending on the West line of said Lot 14.

The remaining land in which said Releasor has an interest shall have no right or easement of access to or from Baseline Road, provided however, that said remaining land shall have access to or from said Baseline Road East of Point "A" as described above.

AREA NO. 2:

That portion of the following described property which lies South of the line described below under "Line Description":

PROPERTY DESCRIPTION:

Lots 16, 17 and 18, BASELINE BUSINESS PARK, according to Book 232 of Maps, page 28, records of Maricopa County, Arizona;

EXCEPT that portion of Lots 16, 17 and 18 lying South of the following described line:

Beginning at a point on the West line of said Lot 16 lying 30 feet North of the South line of said Lot 16;

thence southeasterly to a point on a line parallel with the South line of said Lot 16, lying 30 feet East of the West line of said Lot 16 and 10 feet North of the South line of said Lot 16;

(CONTINUED)

thence East, 10 feet North of and parallel with the South line of Lots 16, 17, and 18, to a point on a line parallel with said South line, lying 30 feet West of the East line of said Lot 18;

thence northeasterly to a point on the East line of said Lot 18, lying 30 feet North of the South line of said Lot 18, and the point of terminus of the herein described line.

LINE DESCRIPTION:

Commencing at the Southeast corner of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona;

thence along the South line of said Township, South 89°44'49" West 639.46 feet to the construction centerline of Baseline Road;

thence along said construction centerline, North 88°49'16" West 300.09 feet;

thence continuing along said construction centerline, South 89°44'49" West 349.61 feet;

thence North 0°15'11" West 105.70 feet to the point of beginning on the West line of said Lot 16;

thence South 46°10'26" East 28.32 feet;

thence South 88°34'43" East 102.66 feet;

thence South 84°59'26" East 163.54 feet;

thence South 88°44'55" East 302.32 feet to the point of ending on the South line of the above described property.

(CONTINUED)

LEGAL DESCRIPTION OF RIGHT-OF-WAY PARCEL B
249,423 SQUARE FEET (5.726 ACRES) MORE OR LESS

(EAST SIDE OF PRIEST DRIVE)

TRACT B:

AREA NO. 1:

Beginning at the West quarter corner of Section 33, Township 1 North, Range 4 East, of the Gila and Salt River Meridian, Maricopa County, Arizona;

thence North, along the West line of the Northwest quarter (NW $\frac{1}{4}$) of said Section 33, a distance of 325.32 feet to the TRUE POINT OF BEGINNING;

thence continue North a distance of 305.04 feet to a point on the South right of way line of the SUPERSTITION FREEWAY, said point being on a circular curve concave southerly, having a radius of 2714.79 feet, whose tangent at said point bears South 73°45'24" East;

thence southeasterly, along said curve, through a central angle of 7°54'16", a distance of 374.53 feet;

thence continue along said right of way line, South 63°50'19" East a distance of 292.12 feet;

thence continuing along said right of way line, South 62°51'08" East a distance of 200.04 feet;

thence continue along said right of way line, South 63°28'16" East a distance of 307.83 feet to a point on a circular curve concave northerly, having a radius of 3014.79 feet, whose tangent at said point bears South 65°51'08" East;

thence southeasterly, along said curve, through a central angle of 4°55'50", a distance of 259.44 feet to a point on the East line of the Southwest quarter of the Northwest quarter of the Northwest quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$) (sic, should be Southwest quarter of the Northwest quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$)) of said Section 33;

thence South 0°07'32" West, along said East line, a distance of 29.92 feet to the Southeast corner of the Southwest quarter of the Northwest quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$) of said Section 33;

(CONTINUED)

thence South 89°12'43" West, along the South line of said Southwest quarter of the Northwest quarter (SW¼ NW¼), a distance of 190.45 feet to a point on the northerly right of way line of the Western Canal;

thence North 71°16'50" West, along said right of way line, a distance of 54.85 feet;

thence North 74°38'56" West, along said right of way line, a distance of 1104.81 feet to the TRUE POINT OF BEGINNING;

EXCEPT that part of the Southwest quarter of the Northwest quarter (SW¼ NW¼) of Section 33, Township 1 North, Range 4 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, described as:

Commencing at the West quarter corner of said Section 33;

thence North (assumed bearing), along the West line of said Section 33, a distance of 352.32 feet to a spike marking the intersection with the northeasterly right of way line of the Western Canal, said intersection also being the point of beginning;

thence continuing North, along the West line of said Section 33, a distance of 305.04 feet to a spike marking the intersection with the southeasterly right of way line of the SUPERSTITION FREEWAY;

thence southeasterly, along the southeasterly right of way line of said SUPERSTITION FREEWAY, a distance of 57.47 feet;

thence South, parallel to (sic) the West line of said Section 33, to an intersection with the northeasterly right of way line of said Western Canal;

thence North 74°38'56" West, along the northeasterly right of way line of said Western Canal, a distance of 57.03 feet to the point of beginning, as conveyed to the City of Tempe in Quitclaim Deed recorded on February 7, 1975 in Docket 11028, page 124.

AREA NO. 2:

Beginning at the Northeast corner of the Northwest quarter of the Southwest quarter (NW¼ SW¼) of Section 33, Township 1 North, Range 4 East, of the Gila and Salt River Meridian, Maricopa County, Arizona;

thence South 0°35'45" West, along the East line of said Northwest quarter of the Southwest quarter (NW¼ SW¼), a distance of 66.92 feet to a point on the northerly right of way line of the Western Canal;

thence North 71°16'10" West, along said right of way line, a distance of 200.32 feet to a point on the North line of said Northwest quarter of the Southwest quarter (NW¼ SW¼);

thence North 89°12'43" East, along said North line, a distance of 190.45 feet to the TRUE POINT OF BEGINNING.

(CONTINUED)

LEGAL DESCRIPTION OF RIGHT-OF-WAY PARCEL C
247,916 SQUARE FEET (5.691 ACRES) MORE OR LESS

(WEST SIDE OF PRIEST DRIVE AND NORTH OF WESTERN CANAL)

TRACT C:

A portion of the Southeast quarter of the Northeast quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 32, Township 1 North, Range 4 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, being more particularly described as follows:

Commencing at the East quarter corner of said Section 32;

thence North 0°44'40" East 326.85 feet, along the East line of said Section 32, also being the center line of Priest Road (56th Street);

thence North 73°51'50" West 34.23 feet, along the North right of way line of the Western Canal, to a point on the West right of way line of Priest Road, said point being the TRUE POINT OF BEGINNING of this description;

thence the following two courses, being along said North canal right of way line; (1) North 73°51'50" West 108.94 feet and (2) along a curve to the Left 1129.01 feet, said curve having a radius of 8704.96 feet, a central angle of 7°25'52" and a long chord bearing North 77°34'46" West 1128.22 feet;

thence North 1°45'00" West, 192.30 feet;

thence the following four courses being along the South right of way line of the highway (as recorded in Docket 10069, page 448, records of Maricopa County, Arizona); (1) South 83°38'59" East 609.31 feet; (2) South 82°39'53" East 291.27 feet; (3) North 9°21'01" East 16 feet and (4) along a curve to the Right 327.57 feet, said curve having a radius of 2714.79 feet, a central angle of 06°54'48" and a long chord bearing South 77°11'35" East 1327.37 feet, to a point on the West right of way line of Priest Road;

(CONTINUED)

thence South 0°44'40" West 303.81 feet, along said West right of way line, being 33 feet West of and parallel to (sic) the East line of said Section 32, to the TRUE POINT OF BEGINNING;

EXCEPT the East 28 feet as conveyed to the City of Tempe in Document Number 88-500650, records of Maricopa County, Arizona, recorded on October 11, 1988, and

EXCEPT that portion which lies South of the line described as follows:

Commencing at the East quarter corner of said Section 32;

thence along the East line of said section, North 0°46'57" East 325.74 feet (326.85 feet Record) to the existing North right of way line of the Western Canal;

thence continuing along the East line of said section, North 0°46'57" East 148.81 feet;

thence North 79°13'03" West 61.94 feet to the point of beginning on the existing West right of way line of Priest Drive;

thence continuing North 79°13'03" West 219.71 feet;

thence along a curve to the Left, having a radius of 136.78 feet, a length of 188.28 feet to the point of ending on said existing North right of way line of the Western Canal.

(CONTINUED)

LEGAL DESCRIPTION OF RIGHT-OF-WAY PARCEL D
216,353 SQUARE FEET (4.967 ACRES) MORE OR LESS

(I-10 FRONTAGE SOUTH OF WESTERN CANAL)

TRACT D:

That portion of the following described property which lies West and Northwest of the line described below under "Line Description":

PROPERTY DESCRIPTION:

PARCEL NO. 1:

Lots 8 and 14, BASELINE BUSINESS PARK, according to Book 232 of Maps, page 28, records of Maricopa County, Arizona.

PARCEL NO. 2:

A portion of Edward Drive of BASELINE BUSINESS PARK, a subdivision of a portion of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona as recorded in Book 232 of Maps, page 28, records of Maricopa County, Arizona, more particularly described as follows:

Commencing at the center corner of Section 32;

thence North 89°00'00" East, along the North line of the Southeast quarter (SE¼) of said Section 32, for a distance of 738.36 feet to the TRUE POINT OF BEGINNING;

thence North 89°00'00" East, along said North line, for a distance of 62.39 feet to a point of curve of a circular curve to the Right having a radius of 70 feet;

thence southeasterly, along said curve, for a distance of 194.88 feet through a central angle of 159°30'33" to a point of compound curve (sic, should be reverse curve) of a circular curve to the Left, having a radius of 70 feet;

(CONTINUED)

thence southwesterly, along said curve, for a distance of 83.02 feet through a central angle of 67°57'13" to a point of tangency;

thence South 0°33'20" West for a distance of 167.24 feet;

thence North 89°26'40" West for a distance of 60 feet;

thence North 0°33'20" East for a distance of 215.31 feet;

thence North 5°34'44" East for a distance of 150.55 feet to the TRUE POINT OF BEGINNING, as abandoned by the City of Tempe, Ordinance Number 1091, recorded October 3, 1984 in Document Number 84-432455, records of Maricopa County, Arizona.

PARCEL NO. 3:

That portion of Edward Drive, as shown on the plat of BASELINE BUSINESS PARK according to Book 232 of Maps, page 28, lying North of the South right of way line of Dunbar Drive and West of the southerly prolongation of the East right of way line of Edward Drive as shown of said plat of BASELINE BUSINESS PARK;

EXCEPT that portion of Edward Drive described as PARCEL NO. 2 above, as abandoned by City of Tempe Ordinance Number 1112 recorded January 15, 1985 in Document Number 85-018658, and affidavit by the City of Tempe recorded November 22, 1991 as Document Number 91-548004, records of Maricopa County, Arizona.

PARCEL NO. 4:

That part of the South half of the Northeast quarter (S½ NE¼) of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona, lying South of the South line of the right of way of the Western Canal and East of the right of way of the MARICOPA FREEWAY (I-10), as described in Deed recorded in Docket 5287, page 85, records of Maricopa County, Arizona;

EXCEPT the East 61 feet as conveyed to the City of Tempe in Document Number 88-500650, records of Maricopa County, Arizona, recorded on October 11, 1988.

LINE DESCRIPTION:

Commencing at the South quarter corner of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona;

(CONTINUED)

thence along the South line of said section, North 89°44'49" East 549.48 feet to the construction median centerline of Interstate Highway 10 (PHOENIX-CASA GRANDE HIGHWAY);

thence along said construction median centerline, North 1°15'40" East 660.04 feet;

thence South 88°44'20" East 249.90 feet to the point of beginning on the existing East right of way line of said Interstate Highway 10;

thence North 1°15'20" East 131.04 feet;

thence North 1°59'31" West 350.56 feet;

thence North 2°10'21" West 500.90 feet;

thence North 0°53'12" West 400.28 feet;

thence North 2°41'35" East 200.06 feet;

thence North 9°47'30" East 101.12 feet;

thence North 15°17'50" East 309.23 feet;

thence North 26°30'51" East 293.00 feet;

thence North 40°26'05" East 174.14 feet;

thence North 51°27'20" East 234.31 feet;

thence North 65°17'46" East 220.50 feet to the point of ending on the existing North right of way line of the Western Canal.

(CONTINUED)

LEGAL DESCRIPTION OF ELECTRIC LINE EASEMENT
11,650 SQUARE FEET (0.267 ACRES) MORE OR LESS

(WEST SIDE OF PRIEST DRIVE AND NORTH OF WESTERN CANAL)

The West 84.00 feet of the East 145.00 feet of that portion of the Southeast quarter of the Northeast quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona, lying North of the Western Canal;

EXCEPT that portion which lies North of the line described as follows:

Commencing at the East quarter corner of said Section 32;

thence along the East line of said section, North 0°46'57" East 325.74 feet (326.85 feet Record) to the existing North right of way line of the Western Canal;

thence continuing along the East line of said section, North 0°46'57" East 148.81 feet;

thence North 79°13'03" West 61.94 feet to the point of beginning on the existing West right of way line of Priest Drive;

thence continuing North 79°13'03" West 219.71 feet;

thence along a curve to the Left, having a radius of 136.78 feet, a length of 188.28 feet to the point of ending on said existing North right of way line of the Western Canal.

(CONTINUED)

**ADDITIONAL RIGHT-OF-WAY REQUIRED FOR
SFCA IMPROVEMENTS
ON BASELINE ROAD**

The following described parcels lay within a portion of Section 32, Township 1 North, Range 4 East of the Gila and Salt River Base & Meridian.

Parcel No. 1

Commencing at the South Quarter corner of said Section 32;

Thence North 89°-44'-49" East along the South line of said Section 32 1265.23 feet;

Thence North 00°-15'-11" West 95.50 feet to the TRUE POINT OF BEGINNING;

Thence North 88°-53'-46" West 16.97 feet;
Thence North 44°-24'-11" East 27.10 feet;
Thence South 88°-41'-14" East 17.57 feet;
Thence South 45°-23'-26" West 27.46 feet to the TRUE POINT OF BEGINNING.

Parcel No. 2

Commencing at the South Quarter corner of said Section 32;

Thence North 89°-44'-49" East 1344.87 feet;
Thence North 00°-15'-11" West 113.20 feet to the TRUE POINT OF BEGINNING;

Thence North 80°-13'-37" East 6.53 feet;
Thence South 44°-56'-38" East 28.82 feet;
Thence South 88°-49'-11" East 246.69 feet;
Thence North 45°-27'-28" East 27.93 feet;
Thence South 88°-49'-15" East 50.02 feet;
Thence South 44°-27'-51" East 28.61 feet;
Thence South 88°-49'-17" East 212.00 feet;
Thence North 48°-59'-42" East 44.47 feet;
Thence South 26°-24'-33" West 46.47 feet;
Thence North 88°-44'-55" West 302.32 feet;
Thence North 84°-59'-26" West 163.54 feet;
Thence North 88°-34'-43" West 102.66 feet;
Thence North 46°-10'-26" West 28.32 feet to the TRUE POINT OF BEGINNING.

EXHIBIT B

LEGAL DESCRIPTION OF ADOT RIGHT-OF-WAY PARCEL 7-7031

PROJECT: I-10-3(314)
10 MA 154 H2034 01R
HIGHWAY: PHOENIX-CASA GRANDE HIGHWAY
SECTION: Superstition T.I.-
Baseline Road T.I.
PARCEL: 7-7031
DATE: April 17, 1991

DIVERSIFIED COMMUNITIES CONDEMNATION

For Interstate Highway purposes, an estate in fee in and to that certain parcel of real property situated in Maricopa County, Arizona, more particularly described as follows:

That portion of the South half of the North half (S½N½) of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona, described as follows:

Beginning at the North quarter corner of said Section 32;

thence South 89° 37' 00" West, along the North line of said section, 250.59 feet;

thence South 0° 22' 35" East, perpendicular to said North section line, 120 feet;

thence North 89° 37' 00" East, parallel to (sic) the North line of said section, 480.0 feet;

thence South 0° 23' 00" East 87.11 feet;

thence South 31° 13' 00" West 81.29 feet;

thence southwesterly along a curve concave to the East, with a radius of 957.51 feet, a distance of 559.34 feet;

thence South 2° 17' 07" East 220.76 feet;

thence from a Local Tangent Bearing of South 15° 14' 17.8" East along a curve concave to the Northeast, with a radius of 982.51 feet, a distance of 445.33 feet;

thence South 39° 50' 24" East 229.51 feet;

thence South 1° 13' 00" West 290.0 feet;

(continued)

Parcel 7-7031

thence South 39° 52' 35" West 64.03 feet to the North toe of slope of the North bank of the Western Canal;

thence Southeasterly along said North toe of slope, which is a curve concave to the South, with a radius of 8639.37 feet, a distance of 827.20 feet to the TRUE POINT OF BEGINNING of the parcel herein described;

thence North 31° 52' 51" West 111.72 feet;

thence along a curve concave to the Southeast, with a radius of 900 feet, a distance of 296.80 feet to a point on the East line of the Brosie property as described in deed recorded in Docket 1918, page 244, records of Maricopa County, Arizona, which said point lies North 1° 45' 00" West 238.72 feet from the Southeast corner of the Brosie property as aforesaid;

thence South 1° 45' 00" East, along said East property line, 238.72 feet to said Southeast corner of the Brosie property;

thence along the North toe of the slope of the North bank of the Western Canal to the TRUE POINT OF BEGINNING;

EXCEPT the following described parcel:

That portion of the South half of the Northeast quarter (S½NE¼) of Section 32, Township 1 North, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona described as follows:

BEGINNING at the East quarter corner of said Section 32;

thence North 0° 44' 40" East, along the East line thereof, a distance of 630.36 feet to the existing southerly right of way line of Interstate Highway 10 (Phoenix - Casa Grande Highway);

thence from a Local Tangent Bearing of North 73° 00' 44" West, along said existing southerly right of way line, along the arc of a curve to the Left, having a radius of 2714.79 feet, a distance of 361.88 feet;

thence North 82° 39' 47" West, continuing along said existing southerly right of way line, a distance of 292.12 feet;

thence North 83° 38' 59" West, continuing along said existing right of way line, a distance of 611.56 feet to the TRUE POINT OF BEGINNING;

thence continuing North 83° 38' 59" West, along said existing right of way line, a distance of 83.72 feet;

(continued)

Parcel 7-7031

thence from a Local Tangent Bearing of South 71° 42' 42" West continuing along said existing southerly right of way line, along the arc of a curve to the Left, having a radius of 900.00 feet, a distance of 211.38 feet;

thence South 31° 44' 50" East, continuing along said existing right of way line, a distance of 16.00 feet;

thence from a Local Tangent Bearing of North 58° 15' 10" East along the arc of a curve to the Right, having a radius of 884.00 feet, a distance of 204.15 feet;

thence South 83° 38' 59" East 82.49 feet to the aforesaid East property line;

thence North 1° 45' 00" West, along said East property line, a distance of 16.16 feet to the TRUE POINT OF BEGINNING; and also

EXCEPT, beginning at the East quarter corner of said Section 32;

thence North 0° 44' 40" East along the East line of said Section 32, a distance of 630.36 feet;

thence from a Local Tangent Bearing of North 73° 00' 44" West along the arc of a curve to the Left, having a radius of 2714.79 feet, a distance of 361.88 feet;

thence North 82° 39' 47" West 292.12 feet;

thence North 83° 38' 59" West 611.56 feet to the Easterly line of that certain property conveyed to Donald Siemer Brosie, et ux, by deed dated May 7, 1956 and recorded in Docket 1918, page 244, records of Maricopa County, Arizona, and the TRUE POINT OF BEGINNING;

thence North 1° 45' 00" West, along said easterly property line, a distance of 32.19 feet to the existing southerly right of way line of Interstate Highway 10;

thence from a Local Tangent Bearing of South 77° 08' 52" West along said right of way line, along the arc of a curve to the Left, having a radius of 900.00 feet, a distance of 85.39 feet;

thence South 83° 38' 59" East 83.72 feet to the TRUE POINT OF BEGINNING.

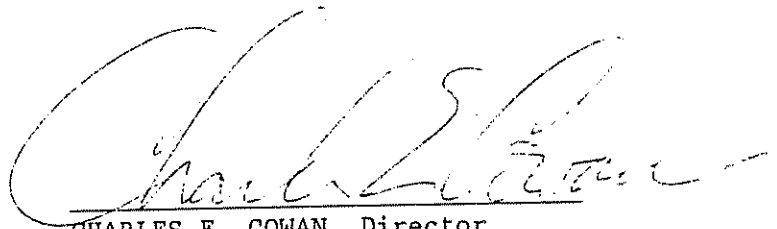
39,722 square feet, more or less.

4050E/14 MS:

RESOLUTION

BE IT RESOLVED on this 14th day of February 1992, that I, CHARLES E. COWAN, as Director of the Arizona Department of Transportation, have determined that it is in the best interest of the State of Arizona that the Department of Transportation, acting by and through the Highways Division, to enter into an agreement with the City of Tempe, for the purpose of forming an Improvement District, to allow the City to advertise and sell bonds which will be utilized to reconstruct the traffic interchange at Priest Drive and State Route 360, and construct certain improvements to portions of the north side of Baseline Road between I-10 and Priest Drive (the City's project) in conjunction with the State's project to reconstruct major portions of State Route 360 from Mill Avenue to and including the I-10 interchange.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted for approval and execution by the Deputy State Engineer.

A large, stylized handwritten signature in dark ink, appearing to read "Charles E. Cowan", is written over a horizontal line.

CHARLES E. COWAN, Director
Arizona Department of
Transportation

RESOLUTION NO. 92.06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TEMPE, ARIZONA, AUTHORIZING THE EXECUTION OF AN
AGREEMENT WITH THE STATE OF ARIZONA, DEPARTMENT OF
TRANSPORTATION

* * * * *

WHEREAS, the City of Tempe is, or will be, through the improvement district process, preparing plans, estimates, and specifications for the construction of the Priest Drive Interchange on the Superstition Freeway and certain improvements to Baseline Road between I-10 and Priest Drive, and

WHEREAS, the City of Tempe is desirous of having the Arizona Department of Transportation (ADOT) construct this project in conjunction with other work to be constructed by ADOT, and

WHEREAS, ADOT has prepared an agreement setting forth the provisions and responsibilities for construction of said project, and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:


That the Mayor of the City of Tempe, hereby be authorized to execute an agreement with the Arizona Department of Transportation setting forth the provisions and responsibilities for construction of the Priest Drive Interchange on the Superstition Freeway, one lane each direction from Mill Avenue to Priest Drive on the Superstition Freeway and certain improvements to Baseline Road between I-10 and Priest Drive.

Resolution No. 92.06
Page Two

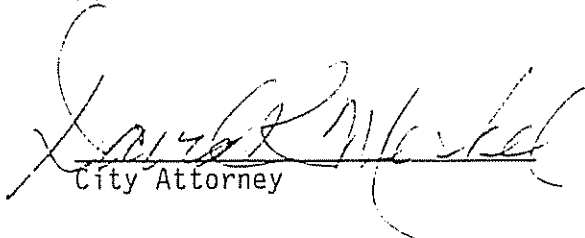
PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA
this 13th day of February, 1992.


Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

Attachment

I, Helen R. Fowler, the duly appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the attached to be a true and exact copy of Resolution No. 92.06, passed and adopted at the Regular Council Meeting of February 13, 1992, by the Tempe City Council, Tempe, Arizona.

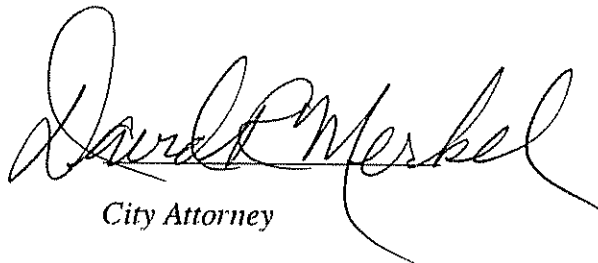
DATED this 18th day of February, 1992.


Helen R. Fowler, CMC
City Clerk

APPROVAL OF THE TEMPE CITY ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION and the CITY OF TEMPE, and declare this agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

DATED this 18th day of Feb, 1992.


City Attorney



STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

GRANT WOODS
ATTORNEY GENERAL

1275 WEST WASHINGTON, PHOENIX 85007

MAIN PHONE : 542-5025
TELECOPIER : 542-4085

INTERGOVERNMENTAL AGREEMENT

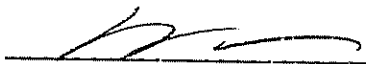
DETERMINATION

A. G. Contract No. KR92- 0320 -TRN, is an agreement between public agencies and has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATED this 18 day of February, 1992.

GRANT WOODS
Attorney General



RICHARD KAMPS
Assistant Attorney General
Transportation Section